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13 Attorneys for Defendants
BIO-THERAPEUTIC, INC. and
MICRO CURRENT TECHNOLOGY, INC.

8 EDGE SYSTEMS CORPORATION, a
9 California corporation, and AXIA
10 MEDSCIENCES, LLC, a Delaware
11 limited liability company,
12 Plaintiffs,
13 v.
14 BIO-THERAPEUTIC, INC., a
15 Washington corporation, and MICRO
16 CURRENT TECHNOLOGY, INC., a
17 Washington corporation,
18 Defendants.
19 } Civil Action No.
20 } 2:11-cv-04993-JFW-(AGRx)
21 }
22 } **STIPULATED PERMANENT
23 } INJUNCTION AND DISMISSAL
24 } WITH PREJUDICE; ORDER
25 } THEREON
26 }**

1 This case having come before this Court, and it being represented to the
2 Court that Plaintiffs and Counterclaim Defendants Edge Systems Corporation
3 and Axia MedSciences, LLC (collectively “Edge”) and Defendants and
4 Counterclaimants Micro Current Technology, Inc., d/b/a Bio-Therapeutic, Inc.
5 (“BT”) have compromised and settled the matters in dispute, IT IS HEREBY
6 ORDERED, ADJUDICATED and DECREED as follows:

PERMANENT INJUNCTION ORDER

8 Having considered the STIPULATION of the parties, and for good cause
9 shown, IT IS HEREBY ORDERED THAT:

10 1. This Court has jurisdiction over the parties and the subject matter
11 in this case.

12 || 2. Venue is proper in this judicial district.

13 3. Pursuant to 35 U.S.C. § 283, as of the date of this Court’s Order,
14 BT, and any of its employees, agents, representatives, subsidiaries, directors,
15 principals, officers, successors, and assigns, and all others acting in concert or
16 participation with BT who receive actual notice of this Order, SHALL BE
17 PERMANENTLY ENJOINED AND RESTRAINED from all importing,
18 manufacturing, marketing, advertising, using, offering for sale, and selling of all
19 “wet” microdermabrasion machines and machine-specific accessories in the
20 United States (with the following exception to the aforementioned “offering for
21 sale”: BT is permitted to coordinate foreign-to-foreign transactions from
22 Seattle, Washington (*i.e.*, phone calls and paperwork), but the products offered
23 for sale by BT shall be manufactured outside the United States, shall be
24 delivered to the end customer outside the United States, and shall never enter
25 the United States), which includes the following products:

26 a. The accused “wet” microdermabrasion machines and machine-
27 specific accessories, including: the accused BT Bio-Hydroderm
28 microdermabrasion machine, the accused BT Bio-Hydrotip

microdermabrasion machine, and the accused BT AQUAFUSE microdermabrasion fluid (and any other consumable) in containers designed to fit such machines;

- b. Any “wet” microdermabrasion machine (*i.e.*, a machine that has the capability of both delivering a fluid and using an abrasive tip, either simultaneously or sequentially) that is not colorably different from the accused “wet” microdermabrasion machines with respect to the claims of the asserted patents;
- c. Any microdermabrasion machine that has the capability of both delivering a fluid and using an abrasive tip, either simultaneously or sequentially;
- d. The phrase “microdermabrasion machines and machine-specific accessories” as used herein includes all tips, fluids, and other consumables used in conjunction with a “wet” microdermabrasion system that are specifically adapted for use with such a system, including BT’s accused “wet” microdermabrasion systems and Edge’s “wet” microdermabrasion systems, but does not include any tips, fluids, or other consumables that are designed generically such that they could be used with a “dry” microdermabrasion machine (as defined below) or fluids that are used topically and applied by hand; and
- e. A “dry” microdermabrasion machine is defined as any microdermabrasion machine that uses crystals or an abrasive tip but (a) does not deliver a fluid and (b) cannot be adapted for use with a fluid without significant modification.

26 4. This Court SHALL RETAIN JURISDICTION of this action to the
27 extent necessary to ensure full compliance with all obligations imposed by the
28 Permanent Injunction Order, including the enforcement this Stipulated

1 Permanent Injunction by way of contempt or otherwise. The obligations of the
2 parties, as set forth in the Stipulated Permanent Injunction SHALL BE
3 ENFORCED, if necessary, exclusively by this Court.

4 5. If in the future either party files suit against the other party vis-à-
5 vis the Asserted Patents, the filing party SHALL FILE SUIT in the United
6 States District Court for the Central District of California and, pursuant to Local
7 Rule 4.3.1, simultaneously file a Notice of Related Case with the Court
8 identifying this dismissed action.

9 6. BT has waived any appeal of the Stipulated Permanent Injunction.

10 7. Each of the parties SHALL BEAR ITS OWN COSTS AND ITS
11 OWN ATTORNEYS' FEES.

12 8. This is a final judgment. Subject to this Court's limited retention of
13 jurisdiction as set forth above, all claims and counterclaims filed in this action
14 SHALL BE DISMISSED from this action WITH PREJUDICE.

15 9. Having addressed each of the claims and counterclaims in this
16 action, this case SHALL BE CLOSED.

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Dated: October 12, 2011

DISTRICT COURT JUDGE

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